

Function 050: National Defense

The National Defense function includes funding for the Department of Defense (DOD), the nuclear weapons-related activities of the Department of Energy, and national defense activities in various other agencies such as the Coast Guard and the Federal Bureau of Investigation. The DOD represents about 95 percent of this function.

- **Overview** — For 2001, the conference agreement on the Republican budget resolution provides \$310.8 billion for national defense appropriations. This level of funding is a \$12.4 billion (4.2 percent) increase in purchasing power, and is \$4.5 billion more than the President's request. Over the 2001-2005 period, the conference agreement is \$28.5 billion more than what is needed to maintain zero real growth (constant purchasing power), and \$5.2 billion more than the President's request for that period.
- **Comparison to the House Resolution** — The conference agreement provides \$3.5 billion more than the House resolution for 2001 defense funding. The purpose of the increase above the House resolution is apparently to provide part of the funding in the House-passed 2000 Kosovo supplemental appropriations bill, which the Senate refused to consider. The House-passed supplemental bill would have provided \$9.2 billion for defense for 2000, \$4.0 billion of which was added on the House floor by a bipartisan amendment offered by Reps. Lewis, Murtha, Spence, and Skelton. The conference agreement provides \$2.7 billion for defense funding in the 2000 Kosovo supplemental appropriations bill.
- **Military Retirees** — The conference agreement provides a reserve fund to be used to fund legislation that improves health care for military retirees. The reserve fund is \$50 million for 2001 and totals \$400 million over 2001-2005, all of which is mandatory funding. This level is \$5.0 billion less than the Democratic alternative resolution. See *Military Retirees* for a detailed discussion of this issue.
- **A De Facto Bipartisan Agreement on Defense** — Despite the rhetoric from some Members about the inadequacy of the President's defense budget, the House-passed resolution is just three-tenths of one percent (\$5.2 billion) more than the President's budget for national defense appropriations over the 2001-2005 period. The striking similarity of the President's budget to the House-passed resolution is noteworthy in light of the widely reported requests of the Service Chiefs for at least \$15 billion in additional funding for DOD for 2001 alone. The emphatic rejection of the Service Chiefs' requests in the House-passed resolution and the convergence to the level in the President's budget indicates a *de facto* bipartisan agreement on overall defense funding levels.

- ***Repeal of Obligation Delays and Pay Date Delays*** — The conference agreement assumes enactment of legislation repealing several timing shifts included in the 2000 Omnibus Appropriations bill. These changes, contained in the 2000 Kosovo supplemental appropriations bill approved by the House on March 30, 2000, would repeal the delay in pay dates for military personnel and DOD civilians and obligation delays for payments to defense contractors. The effect of repealing these provisions will shift a total of \$4.8 billion in outlays from 2001 back to 2000.